GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3231
ANSWERED ON:07.12.2007
REVENUE FROM CARBON CREDITS
Thomas Shri P.C.

Will the Minister of FINANCE be pleased to state:

(a) whether Indian Industry favours treating revenue earned from Carbon credits as export earnings;

(b) if so, the reasons therefor;

(c) whether there is a demand for regulatory framework conducive to promote Clean Development Mechanism (CDM) projects;

(d) if so, the reaction of the Government thereon;

(e) whether India is earning from Carbon credits; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a)&(b) The Government has not received any formal request in this regard.

(c)&(d) The Clean Development Mechanism (CDM) is operated under the rules and regulations approved by the Conference of Parties (Countries) serving as Meeting of Parties to the Kyoto Protocol, under the United Nations Framework Convention on Climate Change (UNFCCC).

(e)&(f) Yes, Sir. Till date, 295 companies from India have completed the process of registration with the CDM Executive Board and 32 million Certified Emission Reductions (CERs) have been issued to Indian companies. One CER is equivalent to one metric tonne of carbon dioxide abated. The earnings of Indian companies on sale of such CERs is not available with the Government.